

Message Text

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ACTION TRSE-00

INFO OCT-01 EUR-12 EA-07 NEA-10 ISO-00 IO-13 AID-05

CIAE-00 COME-00 EB-08 FRB-03 INR-07 NSAE-00

USIA-06 XMB-02 OPIC-03 SP-02 LAB-04 SIL-01 OMB-01

L-03 H-01 NSC-05 SS-15 STR-04 CEA-01 PA-01 PRS-01

/116 W

-----231224Z 050819 /17

R 230626Z MAR 77

FM AMEMBASSY CANBERRA

TO SECSTATE WASHDC 048

INFO AMEMBASSY BANGKOK

AMEMBASSY BERN

AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COLOMBO

AMEMBASSY COPENHAGEN

AMEMBASSY DACCA

AMCONSUL HONG KONG

AMEMBASSY HELSINKI

AMEMBASSY ISLAMABAD

AMEMBASSY JAKARTA

AMEMBASSY KABUL

AMEMBASSY MANILA

C O N F I D E N T I A L CANBERRA 1990

MANILA FOR USABD

EO 1165: GDS

TAGS: EAID, EFIN, AS

SUBJ: ASIAN DEVELOPMENT BANK (ADB) ANNUAL MEETING

REF: STATE 058689

1. EMBOFF DISCUSSED FORTHCOMING ADB ANNUAL MEETING WITH J.W.

KEANY, ASSISTANT SECRETARY, OVERSEAS ECONOMIC RELATIONS

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DIVISION, THE TREASURY. KEANY TOLD EMBOFF THAT ALTHOUGH GOA HAS NOT YET FORMULATED ANY FORMAL STRATEGY FOR MEETING, THEY HAVE BEGUN TO FOCUS ON A NUMBER OF QUESTIONS WHICH THEY HOPE TO SEE RESOLVED ON ONE WAY OR ANOTHER AT THE MEETING.

2. GOA MOST INTERESTED IN RECEIVING A REPORT ON U.S. CONGRESSIONAL PROGRESS ON ADF REPLENISHMENT.

3. GOA IS CONCERNED THAT RECENT ADB SOFT-FUND LENDING HAS BEEN GOING LARGELY TO INDIAN SUB-CONTINENT. GOA WOULD LIKE A MORE EVEN DISTRIBUTION; PARTICULARLY WITH REFERENCE TO PHILIPPINES, THAILAND AND INDONESIA.

4. GOA ALSO INTERESTED IN U.S. ATTITUDES TOWARD INDO-CHINA. GOA BELIEVES THAT IF ADB RESUMES LENDING (KEANY MENTIONED VIETNAM SPECIFICALLY), IT SHOULD BE ON A CONCESSIONAL BASIS.

5. GOA CONCERNED WITH PRESENT MANAGEMENT STRUCTURE OF BANK, WHICH THEY FEEL SOON MAY NOT BE ABLE ADEQUATELY COPE WITH EXPANDING FUNCTIONS OF BANK. GOA WOULD LIKE TO SEE CREATION OF ADDITIONAL VICE PRESIDENTS IN ORDER SPREAD ADMINISTRATIVE RESPONSIBILITIES TO MORE PEOPLE AND MORE COUNTRIES. AS GOA SEES IT, THE PRESENT SINGLY VICE PRESIDENT'S TERM EXPIRES IN MARCH 1978, AND THE BOARD OF GOVERNORS MIGHT TAKE ADVANTAGE OF THIS FACT TO CREATE ADDITIONAL VICE PRESIDENTS. GOA WOULD LIKE TO SEE THIS ISSUE DISCUSSED AMONG AUSTRALIAN, EUROPEAN AND NORTH AMERICAN GOVERNORS.

6. GOA IS CONCERNED THAT RECENT U.S. INCOME TAX LAW CHANGES WILL FORCE CERTAIN HIGHLY QUALIFIED U.S. CITIZEN BANK OFFICIALS TO LEAVE BANK. GOA WONDERS WHAT CAN AND SHOULD BE DONE TO OVERCOME THIS PROBLEM.

7. IN A SIMILAR VEIN, GOA IS INCREASINGLY CONCERNED ABOUT CONSTANTLY RISING LEVEL OF RENTS IN MANILA, AND EFFECT THIS WILL HAVE ON WESTERN PERSONNEL, EVEN WITH CURRENT HOUSING

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SUBSIDY SCHEME. THEY WONDER IF BANK SHOULD CONSIDER GETTING IN HOUSING BUSINESS, ALTHOUGH THEY REALIZE THIS COULD OPEN A "PANDORA'S BOX" OF CRITICISM OF "LUXURY HOUSING FOR BANKERS," OR "BETTER TO SPEND THIS MONEY ON DEVELOPMENT," ETC. NEVERTHELESS, THEY SUFFICIENTLY CONCERNED OVER POSSIBILITY THAT FAILURE TO TAKE SOME REMEDIAL ACTION WILL CAUSE HIGHLY QUALIFIED WESTERN PERSONNEL TO LEAVE BANK, THAT THEY BELIEVE THIS AND OTHER POSSIBLE ALTERNATIVES SHOULD BE EXAMINED.

8. ACCORDING TO KEANY, MAKE-UP OF AUSTRALIAN DELEGATION HAS NOT YET BEEN DECIDED. HE TOLD EMBOFF THAT AT THIS TIME IT LOOKS ALMOST CERTAIN THAT TREASURER LYNCH WILL NOT RPT NOT BE ATTENDING. IT IS HOPED, HOWEVER, TO HAVE ANOTHER MINISTER LEAD DELEGATION, ALTHOUGH NO DECISION YET MADE AS TO WHICH MINISTER. CHOICE OF ALTERNATE MINISTER WILL AFFECT MAKE-UP OF REST OF DELEGATION.

9. GOA HAS REQUESTED NAMES OF MEMBERS OF U.S. DELEGATION.

COMMENT: KEANY SAID ONLY HALF JOKINGLY: "YOU ALWAYS WANT TO
KNOW WELL IN ADVANCE THE MAKE-UP OF OUR DELEGATION,BUT NEVER
GET AROUND TO TELLING US THE NAMES OF YOUR DELEGATES."

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Message Attributes

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Current Classification: UNCLASSIFIED
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Control Number: n/a
Copy: SINGLE
Sent Date: 23-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
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Disposition Remarks:
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Drafter: n/a
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Executive Order: GS
Errors: N/A
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